

XI. Community Reinvestment Act – Ratings

- To the extent changes have been made, its record of opening and closing branches has adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals;
- Its services (including, where appropriate, business hours) vary in a way that inconveniences its assessment area(s), particularly low- or moderate- income geographies or low- or moderate-income individuals; and
- It provides a limited level of community development services.
- **Substantial Noncompliance.** The FDIC rates a bank's service performance as being in "substantial noncompliance" if, in general, the bank demonstrates:
 - Its service delivery systems are unreasonably inaccessible to significant portions of its assessment area(s), particularly to low- or moderate-income geographies or to low- or moderate-income individuals;
 - To the extent changes have been made, its record of opening and closing branches has significantly adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals;
 - Its services (including, where appropriate, business hours) vary in a way that significantly inconveniences its assessment area(s), particularly low- or moderate-income geographies or low- or moderate-income individuals; and
 - It provides few, if any, community development services.
- **Satisfactory.** The FDIC rates a wholesale or limited-purpose bank's community development performance "satisfactory" if, in general, it demonstrates:
 - An adequate level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
 - Occasional use of innovative or complex qualified investments, community development loans, or community development services; and
 - Adequate responsiveness to credit and community development needs in its assessment area(s).
- **Needs to Improve.** The FDIC rates a wholesale or limited-purpose bank's community development performance as "needs to improve" if, in general, it demonstrates:
 - A poor level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
 - Rare use of innovative or complex qualified investments, community development loans, or community development services; and
 - Poor responsiveness to credit and community development needs in its assessment area(s).
- **Substantial Noncompliance.** The FDIC rates a wholesale or limited-purpose bank's community development performance in "substantial noncompliance" if, in general, it demonstrates:
 - Few, if any, community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
 - No use of innovative or complex qualified investments, community development loans, or community development services; and
 - Very poor responsiveness to credit and community development needs in its assessment area(s).

Wholesale or Limited-Purpose Banks

The FDIC assigns each wholesale or limited-purpose bank's community development performance one of the four following ratings:

- **Outstanding.** The FDIC rates a wholesale or limited-purpose bank's community development performance "outstanding" if, in general, it demonstrates:
 - A high level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
 - Extensive use of innovative or complex qualified investments, community development loans, or community development services; and
 - Excellent responsiveness to credit and community development needs in its assessment area(s).

Banks Evaluated under the Small Bank Performance Standards

Lending Test Ratings.

- Eligibility for a **Satisfactory** lending test rating. The FDIC rates a small bank's lending performance "satisfactory" if, in general, the bank demonstrates:
 - A reasonable loan-to-deposit ratio (considering seasonal variations) given the bank's size, financial condition, the credit needs of its assessment area(s), and taking into account, as appropriate, other lending-related activities such as loan originations for sale to the